



**IOWA FINANCE AUTHORITY
BOARD MEETING MINUTES**

**Le Mars Convention Center Board Room
301 12th Street SE
Le Mars, Iowa**

September 12, 2007

BOARD MEMBERS PRESENT

Kay Anderson
Roger Caudron
Carmela Brown
Steven Adams (via telephone)

Virginia Bordwell
David Erickson (via telephone)
Douglas Walter

STAFF MEMBERS PRESENT

Bret Mills, Executive Director
Lori Beary, Community Development
Director
Mickey Carlson, Single-Family Programs
Manager
Steven Harvey, Director of Operations
Craig Johnson, Underwriter
Joseph Jones, Director of Governmental
Affairs
Shawna Lode, Communications Director

Susan Mock, Administrative Assistant
Lloyd Ogle, Director of Title Guaranty
Division
Carla Pope, Director of Affordable Rental
Production
James Smith, Deputy Director/CFO
Mark Thompson, General Counsel
Dave Vaske, Tax Credit Manager
Nancy Wallis, Administrative Assistant

OTHERS PRESENT

The Honorable Dwayne Alons – State
Representative
Gary Blythe – City of Orange City, Iowa
Kristi Boyce – Wells Fargo Bank Iowa, NA
Bob Burns – Burns & Burns, L.C.
Jim Conlin – Conlin Properties
Jon Coons – Aequitas Development
Joni DeVries – Wells Fargo Bank Iowa, NA
Duane Feekes – City of Orange City, Iowa
Dan Garrett – Midwest Housing Equity
Group

Darla Giese – Dorsey & Whitney Law Firm
Gordon Greene – Plymouth County
Supervisor
John Grosenheider – Prime Agency, LLC
David Grossklaus – Dorsey & Whitney Law
Firm
Shallee Keenan – Midwest Housing Equity
Group
Kyle Rice – State Treasurer's Office
The Honorable Chuck Soderberg – State
Representative

CALL TO ORDER

Ms. Anderson called to order the September 12, 2007, regular meeting of the Iowa Finance Authority (IFA) Board of Directors at 8:37 a.m. Roll call was taken and a quorum was established with the following members present: Anderson, Bordwell, Brown, Caudron, Erickson and Walter.

Mr. Adams joined the meeting at 8:38 a.m.

REVIEW AND APPROVAL OF MINUTES

August 8, 2007, Minutes

Ms. Anderson introduced the minutes of the August 8, 2007, meeting of the IFA Board of Directors.

MOTION: On a motion by Mr. Caudron and a second by Mr. Adams, the Board unanimously approved the minutes of the August 8, 2007, Board meeting.

August 21, 2007, Minutes

Ms. Anderson introduced the minutes of the August 21, 2007, meeting of the IFA Board of Directors.

MOTION: On a motion by Ms. Bordwell and a second by Mr. Caudron, the Board unanimously approved the minutes of the August 21, 2007, Board meeting.

August 27, 2007, Minutes

Ms. Anderson introduced the minutes of the August 27, 2007, meeting of the IFA Board of Directors.

MOTION: On a motion by Mr. Walter and a second by Mr. Caudron, the Board unanimously approved the minutes of the August 27, 2007, Board meeting.

ELECTION OF OFFICERS

Chair

Ms. Anderson opened the floor for nomination of Chair, due to the August resignation of former Chair Vince Lintz. Mr. Caudron made a motion nominating Ms. Anderson as Chair of the IFA Board. On a second by Ms. Bordwell, the Board unanimously approved Ms. Anderson as Chair of the IFA Board of Directors.

Vice Chair

Mr. Walter made a motion nominating Mr. Caudron as Vice Chair of the IFA Board. On a second by Mr. Adams, the Board voted unanimously to approve Mr. Caudron as Vice Chair of the IFA Board of Directors.

Treasurer

Ms. Bordwell made a motion to retain Ms. Brown as Treasurer of the IFA Board. On a second by Mr. Caudron, the Board unanimously approved Ms. Brown as Treasurer of the IFA Board of Directors.

ADMINISTRATION / MANAGEMENT REPORT

Summary & Overview

Mr. Mills thanked Chair Anderson and others from the Le Mars area for the informative tour of the Le Mars area economic development projects the day prior to the Board meeting. He said those on the tour saw a wide spectrum of projects that represented the types of projects in which IFA is involved.

Mr. Mills announced there were copies of the new housing study available at the meeting or by contacting IFA. He said plans for the HousingIowa Conference are progressing well.

Mr. Mills also reported that he and other IFA staff would prepare materials for an all-day training session for Board members in conjunction with the December Board meeting. He noted that Ms. Wallis would be contacting them for available times.

Chair Anderson thanked those who attended the tour of Le Mars area projects.

LEGAL / REGULATORY

Mr. Thompson said he had nothing to report.

FINANCE AND ACCOUNTING

Review of July Financial Statement

Mr. Smith presented the July financial results. He summarized the details of IFA as a housing agency and of the SRF program, based on the information included in the Board packet.

When asked about Title Guaranty (TGD), Mr. Harvey stated that TGD was slightly below budget on revenues for August. Ms. Bordwell said that coincides with the current market.

Mr. Harvey stated the audit was nearly completed and should be published by the end of October. He said he plans to distribute it to Board members at the October Board meeting. He noted he was expecting an unqualified opinion by the auditors.

Mr. Harvey provided some explanation for an adjustment that will be made in the Multifamily budget due to an error that was found after the budget was completed.

Approval of July Financial Statement

MOTION: On a motion by Mr. Caudron and a second by Ms. Brown, the Board unanimously approved the July financial statement.

Resolution Re: 2007 State Revolving Fund Revenue Bonds

Mr. Smith introduced the resolution authorizing the issuance and sale of Series 2007 State Revolving Fund Revenue Bonds in an amount not to exceed \$65 million. He noted, however, that the amount would probably be approximately \$58 million to cover the 2006-2007 state match for clean water and drinking water and to reimburse IFA for expenses from previous loans. Mr. Smith reported that IFA is making some changes to the Master Trust Agreement, such as pulling the equity funds and administration funds out of the Master Trust Agreement for

increased efficiency. He noted that each of the rating agencies has awarded IFA a “AAA” rating for this bond issue.

Mr. Smith explained that IFA staff members are working with the Iowa Department of Natural Resources (IDNR) to incorporate these changes into the Joint State Agency Agreement, which may be presented to the Board for approval at the October or November Board meeting.

Mr. Erickson submitted a letter disclosing a conflict of interest because one of his partners is Underwriter’s Counsel for the bond issue. He stated that he would abstain from discussing and voting on the project.

MOTION: Ms. Bordwell made a motion to approve the resolution authorizing the issuance and sale of Iowa State Revolving Fund Revenue Bonds, Series 2007, authorizing and approving the execution and delivery of related documents and delegating certain responsibilities to the Executive Director for approving the final terms of the Series 2007 bonds and the forms and content of the related financing documents. On a second by Mr. Walter, a vote was taken with the following results: YES - Adams, Anderson, Bordwell, Brown, Caudron, and Walter; NO - None; ABSTAIN - Erickson, due to the conflict of interest previously noted (see attached letter). On a majority vote, the Board approved the resolution authorizing the issuance and sale of State Revolving Fund Revenue bonds.

HOUSING PROGRAMS

Request for Transfer of General Partner on LIHTC #07-21, Cherry Lane, LLLP Project

Ms. Pope provided background information on the request for transfer of General Partner on the 2007 tax credit project, based on the memo provided in the Board books. She also noted that the Board books included a letter from Mr. Jon Coons clarifying his reasons for asking the IFA Board and staff to consider the request for his company, Aequitas Partners, Inc., to be replaced by National Affordable Housing Foundation as General Partner and Developer of the Cherry Lane project.

Ms. Pope read the section of the Qualified Allocation Plan that referred to a transfer of General Partner, noting that it allows for such a transfer following the issuance of the Form 8823, which would be issued at carryover. She stated that the Cherry Lane Project has not yet reached the carryover point.

Ms. Bordwell and Mr. Caudron expressed concern about several items, including the need for a transfer of General Partner so soon after the tax credits were awarded and the fact that Mr. Coons would be paid \$200,000 for his time and for money already spent, which according to his letter, amounts to approximately \$46,000. Mr. Craig Johnson stated that the payment of \$200,000 would be in addition to the money Mr. Coons has spent preparing the project for development.

Following additional discussion regarding the actual ownership of the property and what would happen to the credits if the Board rejected the request, staff responded that Mr. Coons would still have the opportunity to try to make the project work or return the credits, which would then be available to projects on the waiting list.

MOTION: Mr. Caudron made a motion to deny the request by Mr. Coons for a transfer of General Partner on LIHTC #07-21, Cherry Lane, LLLP Project. Following a second by Ms. Bordwell, Mr. Adams said he would abstain because he didn't feel he had enough information to cast a vote. A vote was then taken with the following results: YES - Anderson, Bordwell, Brown, Caudron, Erickson and Walter; NO - None; ABSTAIN – Adams. On a majority vote, the Board unanimously rejected the request for a transfer of General Partner.

Resolution – Multifamily Loan to Berry Court

Mr. Johnson introduced the resolution authorizing a multifamily loan to Berry Court. He explained that Berry Court, a 14-unit scattered-site project, received a tax credit allocation during the 2007 funding round. He said staff recommends a loan of \$200,000 to assist in the rehabilitation of the units in order to preserve the project as affordable housing. Mr. Johnson answered questions from Board members regarding the debt service on the project.

MOTION: On a motion by Mr. Caudron and a second by Ms. Brown, the Board unanimously approved a loan of \$200,000 to Berry Court at an interest rate not to exceed 7.5 percent and a maturity not to exceed 30 years.

LEGISLATIVE

Mr. Jones reported that he is working with staff to develop priorities for the upcoming legislative session, and would appreciate input from Board members. He announced that he sent a copy of the housing study and the annual report of the Iowa Council on Homelessness to all legislators.

Mr. Jones stated he has spoken to his contacts in the Governor's office regarding the need for a new Board member to complete Mr. Lintz's term on the Board. He said he hopes someone will be appointed by the end of October.

Mr. Jones distributed a copy of the IFA Performance Plan and said he would provide a quarterly update to review how the agency is progressing on the stated goals.

Mr. Mills reported that IFA staff will meet Monday, September 17, 2007, with Mr. Richard Bender of Senator Harkin's office to discuss solutions to the subprime mortgage problems arising in Iowa. He referred to the cover story in the current issue of the Sioux City newspaper regarding that topic.

COMMUNICATIONS

Ms. Lode thanked Chair Anderson for the television coverage she provided IFA during the tour the previous day.

Ms. Lode reported that IFA is working to reposition the branding for the SRF program based on information received during focus groups held in July, where IFA learned that people don't understand where or how to begin the process of using SRF funding.

Ms. Lode announced that IFA has submitted entries to the National Council of State Housing Agencies (NCSHA) in four categories for awards that will be presented at the annual conference in New Orleans on September 17, 2007.

Ms. Lode also noted that Title Guaranty has published new brochures that will be sent out to Board members soon. She reported that IFA has received many registrations for the HousingIowa conference, hoping to reach the goal of 300 attendees. The conference will be held October 23-24, 2007, and the TGD conference will be held November 15, 2007.

TITLE GUARANTY DIVISION (TGD)

Mr. Ogle reported that the fall newsletter has been published and mailed. He said a new guest column has been added, and the guest columnist for the current issue was IFA Board member David Erickson.

Mr. Ogle announced that TGD is in the final stages of developing the full-service commercial department. He said staff members are working on revising the Closing Protection Letters, in order to provide enough coverage for a commercial project.

Mr. Ogle invited guests at the meeting and IFA Board members to attend the TGD conference on November 15, 2007, at the West Des Moines Marriott.

WATER QUALITY PROGRAMS

Resolution - Planning and Design Loans

Ms. Beary introduced a resolution to approve Planning and Design Loans for Macedonia, Remsen, Lamoni Municipal Utilities and Council Bluffs Water Works, for a total of \$2,232,875. She noted that with the adoption of this resolution, IFA will have approved Planning and Design Loans for 131 projects totaling \$35,928,269.

MOTION: On a motion by Ms. Brown and a second by Ms. Bordwell, the Board unanimously approved the Planning and Design Loan Resolution.

For the benefit of guests in the audience, Ms. Beary briefly explained the purpose of Planning and Design Loans and the process involved in accessing the funds.

Non Point Source Loans to Iowa Natural Heritage Foundation

Polk County Project

Ms. Beary introduced the resolution approving a loan to Iowa Natural Heritage Foundation's Polk County project for an amount not to exceed \$1,165,000 to purchase 312 acres in northeastern Polk County adjoining the Chichaqua Bottoms Greenbelt. She reported that protection and restoration of this property would result in the protection of important biological functions that the Chichaqua River provides to the channelized Skunk River. Ms. Beary said the land will ultimately be transferred to the Polk County Conservation Board and that the loan is being made with Wells Fargo Bank in Ankeny.

MOTION: On a motion by Ms. Brown and a second by Mr. Adams, the Board unanimously approved the loan to Iowa Natural Heritage Foundation for the Polk County project.

Buchanan County Project

Ms. Beary introduced the resolution approving a loan to Iowa Natural Heritage Foundation's Buchanan County project for an amount not to exceed \$508,750 for the purchase of 157 acres on

the Wapsipinicon River seven miles north of Independence. She said the property will protect nearly one mile of the Wapsipinicon River, which has been designated by IDNR as one of five Protected Waters Areas, meaning they have outstanding natural and cultural resources and are some of Iowa's most scenic natural areas. Ms. Beary noted that the loan, being made with Security State Bank in Independence, will purchase the land that will eventually be repurchased by the Buchanan County Conservation Board.

MOTION: On a motion by Mr. Adams and a second by Ms. Bordwell, the Board unanimously approved the loan to Iowa Natural Heritage Foundation for the Buchanan County project.

Wastewater Treatment Financial Assistance Program Awards

Ms. Beary explained that in 2006 legislation was passed to create a financial assistance program as a direct result of the changes in water quality standards adopted by DNR. She said the Legislature was concerned that cities may not be able to afford the expensive improvements that would be required to their wastewater treatment facilities because of the more stringent regulations on discharge. Ms. Beary noted that of the six applications IFA received, two of them did not meet the criteria. She reported that the four remaining projects, Toledo, Ireton, Wheatland and Rock Valley are being recommended for awards, with Rock Valley's award to be made pending final approval by DNR.

Ms. Beary reviewed the requirements that must be met in order for a community to qualify for an award. She said those requirements were presented in the memo included in the Board packets.

MOTION: On a motion by Mr. Walter and a second by Mr. Caudron, the Board unanimously approved the Wastewater Treatment Financial Assistance Program awards.

ECONOMIC DEVELOPMENT LOAN PROGRAM

ED Loan #07-27, Acciona Windpower North America Project

Ms. Beary introduced an application and inducement resolution for \$10,000,000 of Iowa Finance Authority Manufacturing Facility Revenue Bonds for the Acciona Windpower North America project in West Branch, Cedar County. She said the bonds will be used for the construction of a wind turbine generator assembly plant in West Branch's Industrial Park. Ms. Beary noted that the project will require Private Activity Bond Cap.

RESOLUTION #07-27A

MOTION: Ms. Bordwell made a motion to approve an application for \$10,000,000 of Iowa Finance Authority Manufacturing Facility Revenue Bonds (Acciona Windpower North America, L.L.C. Project), Series 2007, for Acciona Windpower North America, L.L.C. (the "Borrower"), and evidencing the intent to proceed with the issuance of \$10,000,000 of Manufacturing Facility Revenue Bonds. On a second by Mr. Caudron, the Board unanimously approved Resolution #07-27A.

ED Loan #07-28, Natural Milk Production Project

Ms. Beary introduced an application and inducement resolution for \$8,000,000 of Iowa Finance Authority Solid Waste Facility Revenue Bonds for the Natural Milk Production project in Kirkman, Shelby County. She stated the bonds will be used for the solid waste components of a

new-construction dairy farm that will accommodate up to 3,200 milking cows. Ms. Beary said the project will require Private Activity Bond Cap.

Chair Anderson submitted a letter disclosing a conflict of interest because the Borrower is a customer of her employer. She stated she would abstain from discussing and voting on the project.

RESOLUTION #07-28A

MOTION: Mr. Adams made a motion to approve an application for \$8,000,000 of Iowa Finance Authority Solid Waste Facility Revenue Bonds (Natural Milk Production, LLLP Project), Series 2007, for Natural Milk Production, LLLP (the “Borrower”), and evidencing the intent to proceed with the issuance of \$8,000,000 of Solid Waste Facility Revenue Bonds. On a second by Mr. Walter, a vote was taken with the following results: **YES** - Adams, Bordwell, Brown, Caudron, Erickson and Walter; **NO** - None; **ABSTAIN** - Anderson, due to the conflict of interest previously noted (see attached letter). On a majority vote, the Board approved Resolution #07-28A.

ED Loan #07-29, Red Oak Ethanol Project

Ms. Beary introduced an application and inducement resolution for \$60,000,000 of Iowa Finance Authority Solid Waste Facility Revenue Bonds for the Red Oak Ethanol project in Montgomery County. She noted the bonds will be used to acquire, construct and equip the solid waste portion of a dry mill process ethanol plant capable of producing approximately 110 million gallons of ethanol annually. Ms. Beary said the project will require Private Activity Bond Cap.

Mr. Adams reported a conflict of interest because he worked with this project to obtain the property. He stated he would abstain from discussing and voting on the project.

RESOLUTION #07-29A

MOTION: Mr. Caudron made a motion to approve an application for \$60,000,000 of Iowa Finance Authority Solid Waste Facility Revenue Bonds (Red Oak Ethanol, LLC Project), Series 2007, for Red Oak Ethanol, LLC (the “Borrower”), and evidencing the intent to proceed with the issuance of \$60,000,000 of Solid Waste Facility Revenue Bonds. On a second by Mr. Erickson, a vote was taken with the following results: **YES** - Anderson, Bordwell, Brown, Caudron, Erickson and Walter; **NO** - None; **ABSTAIN** - Adams, due to the conflict of interest previously noted (see attached letter). On a majority vote, the Board approved Resolution #07-29A.

ED Loan #07-30, Council Bluffs Ethanol Project

Ms. Beary introduced an application and inducement resolution for \$60,000,000 of Iowa Finance Authority Solid Waste Facility Revenue Bonds for the Council Bluffs Ethanol project in Mills County. She reported the bonds will be used to acquire, construct and equip the solid waste portion of a dry mill process ethanol plant capable of producing approximately 110 million gallons of ethanol annually. Ms. Beary said the project will require Private Activity Bond Cap.

Mr. Adams reported a conflict of interest because he worked with this project to obtain the property. He stated he would abstain from discussing and voting on the project.

RESOLUTION #07-30A

MOTION: Mr. Walter made a motion to approve an application for \$60,000,000 of Iowa Finance Authority Solid Waste Facility Revenue Bonds (Council Bluffs Ethanol, LLC Project), Series 2007, for Council Bluffs Ethanol, LLC (the “Borrower”), and evidencing the intent to proceed with the issuance of \$60,000,000 of Solid Waste Facility Revenue Bonds. On a second by Mr. Caudron, a vote was taken with the following results: YES - Anderson, Bordwell, Brown, Caudron, Erickson and Walter; NO - None; ABSTAIN - Adams, due to the conflict of interest previously noted (see attached letter). On a majority vote, the Board approved Resolution #07-30A.

ED Loan #07-17, Cone Enterprises Project

Ms. Beary asked the Board to hold a public hearing regarding the issuance of an amount not to exceed \$10,000,000 of Iowa Finance Authority Variable Rate Demand Industrial Development Revenue Bonds for the Cone Enterprises Project in Cedar Rapids. She noted the bonds will be used to construct a new manufacturing facility consisting of 114,000 square feet. Ms. Beary reported the project will require Private Activity Bond Cap.

Public Hearing: Chair Anderson opened a public hearing at 9:39 a.m. regarding the issuance of an amount not to exceed \$10,000,000 of Iowa Finance Authority Variable Rate Demand Industrial Development Revenue Bonds for the Cone Enterprises Project in Cedar Rapids. Ms. Beary said IFA had received no written or verbal comments regarding the project. There being no comments from the audience, Chair Anderson closed the public hearing at 9:40 a.m.

Ms. Beary then introduced an authorizing resolution for \$10,000,000 of Iowa Finance Authority Manufacturing Facility Revenue Bonds for the Cone Enterprises Project in Cedar Rapids. She stated the Board adopted the inducement resolution on July 11, 2007.

RESOLUTION #07-17B

MOTION: Mr. Adams made a motion to approve the resolution authorizing the issuance of not to exceed \$10,000,000 of Iowa Finance Authority Variable Rate Demand Industrial Development Revenue Bonds (Cone Enterprises Project), Series 2007 for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters. On a second by Mr. Walter, the Board unanimously approved Resolution #07-17B.

ED Loan #07-23, East Central Intergovernmental Association (ECIA) Project

Ms. Beary asked the Board to hold a public hearing regarding the issuance of an amount not to exceed \$1,400,000 of Iowa Finance Authority Economic Development Revenue Bonds for the East Central Intergovernmental Association (ECIA) Project in Dubuque. She reported the bonds will be used for the construction of a storage and maintenance facility for the Region 8 Regional Transit Authority and an office building for ECIA. Ms. Beary noted the project will not require Private Activity Bond Cap.

Public Hearing: Chair Anderson opened a public hearing at 9:41 a.m. regarding the issuance of an amount not to exceed \$1,400,000 of Iowa Finance Authority Economic Development Revenue Bonds for the East Central Intergovernmental Association (ECIA) Project in Dubuque.

Ms. Beary said IFA had received no written or verbal comments regarding the project. There being no comments from the audience, Chair Anderson closed the public hearing at 9:42 a.m.

Ms. Beary then introduced an authorizing resolution for \$1,400,000 of Iowa Finance Authority Economic Development Revenue Bonds for the East Central Intergovernmental Association (ECIA) Project in Dubuque. She stated the Board adopted the inducement resolution on July 11, 2007.

RESOLUTION #07-23B

MOTION: Ms. Brown made a motion to approve the resolution authorizing the issuance of not to exceed \$1,400,000 of Iowa Finance Authority Economic Development Revenue Bonds (ECIA Project), Series 2007, for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; and related matters. On a second by Ms. Bordwell, the Board unanimously approved Resolution #07-23B.

Public Hearing for ED Loan #07-07, Sioux City Leased Housing Project

Ms. Beary asked the Board to hold a public hearing regarding the issuance of an amount not to exceed \$7,000,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the Sioux City Leased Housing Associates project. She said the bonds will be used for the acquisition and rehabilitation of a 101-unit multifamily apartment complex in Sioux City known as War Eagle Village. Ms. Beary stated the project is in the Section 8 Affordable Housing Program and has a HAP contract in place. She noted the project will require Private Activity Bond Cap.

Public Hearing: Chair Anderson opened a public hearing at 9:43 a.m. regarding the issuance of an amount not to exceed \$7,000,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the Sioux City Leased Housing Associates project. Ms. Beary said IFA had received no written or verbal comments regarding the project. There being no comments from the audience, Chair Anderson closed the public hearing at 9:44 a.m.

Public Hearing for ED Loan #07-08, Fort Dodge Leased Housing Project

Ms. Beary asked the Board to hold a public hearing regarding the issuance of an amount not to exceed \$6,500,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the Fort Dodge Leased Housing Associates project. She said the bonds will be used for the acquisition and rehabilitation of a 76-unit apartment complex in downtown Fort Dodge known as Wahkonsa Manor. Ms. Beary stated the project is in the Section 8 Affordable Housing Program and will require Private Activity Bond Cap.

Public Hearing: Chair Anderson opened a public hearing at 9:45 a.m. regarding the issuance of an amount not to exceed \$6,500,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the Fort Dodge Leased Housing Associates project. Ms. Beary said IFA had received no written or verbal comments regarding the project. There being no comments from the audience, Chair Anderson closed the public hearing at 9:46 a.m.

ED Loan #07-14, Five Star Holdings, LLC Project

Ms. Beary said that because there was an error in the public hearing notice for this project, the public notice will be posted again and IFA staff will hold the public hearing on September 26, 2007.

Ms. Beary then distributed an updated authorizing resolution stating that it had been revised to reflect that the public hearing would be held at a later date. She introduced the authorizing resolution for \$6,500,000 of Iowa Finance Authority Solid Waste Facility Revenue Bonds for the Five Star Holdings, LLC project in Sanborn, O'Brien County. Ms. Beary reported that the Board adopted the inducement resolution on June 6, 2007.

Chair Anderson submitted a letter disclosing a conflict of interest because the Borrower is a customer of her employer. She stated she would abstain from discussing and voting on the project.

RESOLUTION #07-14B

MOTION: Mr. Adams made a motion to approve the resolution authorizing the issuance of not to exceed \$6,500,000 of Iowa Finance Authority Variable Rate Demand Solid Waste Disposal Revenue Bonds (Five Star Holdings, LLC Project), Series 2007, for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters. On a second by Mr. Caudron, a vote was taken with the following results: YES - Adams, Bordwell, Brown, Caudron, Erickson and Walter; NO - None; ABSTAIN - Anderson, due to the conflict of interest previously noted (see attached letter). On a majority vote, the Board approved Resolution #07-14B.

ED Loan #05-22, Jacksonville Farm Project

Ms. Beary introduced the resolution amending the Loan Agreement and Trust Indenture for Jacksonville Farm. She explained that the original bonds were issued on April 11, 2006, and that the letter of credit bank, Bank of Oklahoma, has received a rating from Standard & Poor's so the confirming letter of credit is no longer needed. Ms. Beary stated that this resolution amends the original documents to remove the requirement that the borrower obtain a confirming letter of credit.

RESOLUTION #05-22B-1

MOTION: Mr. Walter made a motion to approve the resolution authorizing the execution of a First Amendment to Trust Indenture and First Amendment to Loan Agreement relating to the Authority's \$4,800,000 Variable Rate Demand Solid Waste Disposal Revenue Bonds (Jacksonville Farm, LLP Project), Series 2006. On a second by Ms. Bordwell, the Board unanimously approved Resolution #05-22B-1.

ED Loan #05-01, Natural Pork Production II

Ms. Beary introduced the resolution amending the Loan Agreement and Trust Indenture for Natural Pork Production, II. She said the original bonds were issued on December 21, 2005, and that the letter of credit bank, Bank of Oklahoma, has received a rating from Standard & Poor's so the confirming letter of credit is no longer needed. Ms. Beary noted that this resolution amends

the original documents to remove the requirement that the borrower obtain a confirming letter of credit.

RESOLUTION #05-01B-1

MOTION: Ms. Bordwell made a motion to approve the resolution authorizing the execution of a First Amendment to Trust Indenture and First Amendment to Loan Agreement relating to the Authority's \$4,600,000 Variable Rate Demand Solid Waste Disposal Revenue Bonds (Natural Pork Production II, LLP Project), Series 2005. On a second by Mr. Adams, the Board unanimously approved Resolution #05-01B-1.

ED Loan #364, Village Court

Ms. Beary introduced a resolution amending the Amended and Restated Indenture of Trust and the Loan Agreement for the Village Court Project. She reported that the original bonds were issued for \$8,000,000 on November 1, 1985, and that this resolution allows the borrower to amend the documents in order to extend the maturity of the Series A Bonds.

RESOLUTION #364E

MOTION: Ms. Brown made a motion to approve the resolution authorizing the execution of a First Amendment to Amended and Restated Indenture of Trust and Second Amendment to Loan Agreement relating to the Authority's \$8,000,000 Small Business Development Multifamily Housing Revenue Bonds (Village Court Associates Project), Series 1985A, and related matters. On a second by Mr. Caudron, the Board unanimously approved Resolution #364E.

ED Loan #462E, Village Court

Ms. Beary introduced a resolution amending the Amended and Restated Indenture of Trust and the Loan Agreement for the Village Court Project. She reported that the original bonds were issued for \$15,000,000 on November 1, 1985, and that this resolution allows the borrower to amend the documents in order to extend the maturity of the Series B Bonds.

RESOLUTION #462E

MOTION: Mr. Adams made a motion to approve the resolution authorizing the execution of a First Amendment to Amended and Restated Indenture of Trust and Second Amendment to Loan Agreement relating to the Authority's \$15,000,000 Small Business Development Multifamily Housing Revenue Bonds (Village Court Associates Project), Series 1985B, and related matters. On a second by Mr. Walter, the Board unanimously approved Resolution #462E.

ED Loan #07-31, Siouxland Energy & Livestock Cooperative Project

Ms. Beary introduced an application and inducement resolution for \$35,000,000 of Iowa Finance Authority Solid Waste Facility Revenue and Refunding Bonds for the Siouxland Energy & Livestock Cooperative Project in Sioux Center, Sioux County. She reported the bonds will be used for the solid waste portion of an expansion to the existing ethanol production facility. Ms. Beary noted the project will require Private Activity Bond Cap.

Chair Anderson submitted a letter disclosing a conflict of interest because the Borrower is a customer of her employer. She stated she would abstain from discussing and voting on the project.

RESOLUTION # 07-31

MOTION: Mr. Adams made a motion to approve an application for \$35,000,000 of Iowa Finance Authority Solid Waste Facility Revenue and Refunding Bonds (Siouxland Energy & Livestock Cooperative Project), Series 2007, for Siouxland Energy & Livestock Cooperative (the “Borrower”), and evidencing the intent to proceed with the issuance of \$35,000,000 Solid Waste Facility Revenue and Refunding Bonds. On a second by Mr. Caudron, a vote was taken with the following results: **YES** - Adams, Bordwell, Brown, Caudron, Erickson and Walter; **NO** - None; **ABSTAIN** - Anderson, due to the conflict of interest previously noted (see attached letter). On a majority vote, the Board approved Resolution #07-31A.

MISCELLANEOUS ITEMS

Chair Anderson introduced State Representative Chuck Soderberg and State Representative Dwayne Alons. She thanked them for their interest in IFA’s programs and invited them to speak with staff about ways to utilize IFA’s programs in their districts.

Receive Comments from General Public

Chair Anderson opened the public comment period and asked if anyone in the audience would like to address the Board.

Plymouth County Supervisor Gordon Greene asked if Plymouth County could tap into some of IFA’s resources by utilizing the county’s existing revolving loan fund. Various staff provided responses to his questions and offered suggestions of what resources the county might be able to use.

There being no additional audience members wishing to address the Board, Chair Anderson closed the public comment period.

ADJOURNMENT

There being no further business, on a motion by Mr. Walter and a second by Mr. Caudron, the September 12, 2007, meeting of the IFA Board of Directors adjourned at 10:07 a.m.

Dated this 3rd day of October 2007.

Respectfully submitted:

Approved as to form:

Bret L. Mills
Executive Director
Iowa Finance Authority

Roger Caudron, Vice Chair
Iowa Finance Authority